

**Minutes
City Council/Public Financing Authority Regular Meeting
City of Huntington Beach**

**Monday, May 19, 2014
4:00 PM – Study Session
6:00 PM – Regular Meeting
Civic Center Council Chambers,
2000 Main Street
Huntington Beach, California 92648**

**An audio recording of the 4:00 PM portion of this meeting,
and a video recording of the 6:00 PM portion of this meeting,
is on file in the Office of the City Clerk and is archived at
www.surfcity-hb.org/government/agengas/**

4:00 PM - ROOM B-8

CALL TO ORDER – 4:07 PM

ROLL CALL

City Clerk Joan L. Flynn reported that Councilmember Carchio submitted a Notice of Absence and pursuant to City Council Resolution No. 2001-54, and there being no objection, the City Council's permission for this absence was granted.

Present: Katapodis, Hardy, Shaw, Harper, Boardman, Sullivan (arrived at 4:22 PM)
Absent: Carchio (Excused)

ANNOUNCEMENT OF SUPPLEMENTAL COMMUNICATIONS (Received After Agenda Distribution)

Pursuant to the Brown "Open Meetings" Act, City Clerk Joan Flynn announced supplemental communications that were received by her office following distribution of the Council agenda packet:

PowerPoint communication submitted by Finance Director Lori Ann Farrell dated May 19, 2014 and entitled *SurfCity USA FY 2013/14 Mid-Year Budget Update*.

PUBLIC COMMENTS PERTAINING TO STUDY SESSION / CLOSED SESSION ITEMS (3 Minute Time Limit) – None.

STUDY SESSION

1. Mid Year Budget Review - Presented by Director of Finance, Lori Ann Farrell, regarding Fiscal Year 2012/13 Audit and Financial Performance; current FY 2013/14 projected budget performance; and preliminary FY 2014/15 Budget estimate.

Lori Ann Farrell, Director of Finance, introduced Dahle Bulosan, Accounting Manager, Carol Molina-Espinosa, Budget Manager, and Consultant Roger Alfaro from VTD. Manager Bulosan, Director Farrell and Manager Molina-Espinosa collectively presented a PowerPoint presentation entitled *SurfCity USA FY 2013/14 Mid-Year Budget Update*, that contained the following titled

slides: Summary, FY 2012/2013 Audit and Year End Results, FY 2012/13 Performance (Audited), GASB 68 Unfunded Pension Liabilities, Workers' Compensation Liabilities (In Thousands), and General Fund Balance (FY 2012/2013 Audited In Thousands).

Council questions/comments included:

Councilmember Boardman and Manager Bulosan discussed the City's actuary projected, versus actual costs for claims.

Councilmember Sullivan and Director Farrell discussed fees and fund segregation relating to the update of the City's General Plan.

Councilmember Sullivan and Director Farrell discussed the negotiated benefit of cashing out General Leave in certain bargaining units.

Councilmember Hardy and Director Farrell discussed the number of Police Officers being added to the table of organization.

Mayor Pro Tem Shaw and Director Farrell discussed employee compensation accounting for 72 percent of the General Fund budget, and whether or not it was typical or comparable with other cities.

Mayor Pro Tem Shaw and Manager Wilson discussed revenue growth, and opportunities for new revenue.

Mayor Pro Tem Shaw and Director Farrell discussed developing a plan for PERS Rate Stabilization.

Councilmember Sullivan praised the efforts of the budget team. In addition, he shared his disagreement about the recession being over, voiced concerns about unknown costs for overtime in the Police Department, and apartments taking up space within the Beach/Edinger corridor where businesses could be generating sales tax.

Councilmember Boardman recognized sales tax growth even though the pace may be slower than in previous years, and she and Director Farrell discussed property tax collected by multiple-unit housing.

Mayor Pro Tem Shaw recognized business/retail growth within the Beach/Edinger corridor.

RECESS TO CLOSED SESSION – 5:05 PM

Mayor Harper announced: *Pursuant to Government Code Section 54957.6.a, the City Council takes this opportunity to publicly introduce and identify designated labor negotiator City Manager Fred Wilson, who will be participating today in Closed Session discussions regarding labor negotiations with FMA, MEA, MSMA, PMA and/or POA.*

A motion to recess to Closed Session Item Nos. 2-4 was approved by a consensus of Council.

CLOSED SESSION

2. Pursuant to Government Code § 54956.9(d)(1), the City Council recessed into Closed Session to confer with the City Attorney regarding the following lawsuit: Barber v. Garrels, et al., Orange County Superior Court Case No. 30-2012-00598472, where Plaintiff tripped and fell on an uneven cement slab while walking up from a driveway to the sidewalk of a private home located at 16311 Angler Lane.
3. Pursuant to Government Code § 54957.6, the City Council recessed to Closed Session to meet with its designated labor negotiators and Fred Wilson, City Manager regarding the following: FMA, MEA, MSMA, PMA and/or POA.
4. Pursuant to Government Code § 54956.9(d)(1), the City Council recessed into Closed Session to confer with the City Attorney regarding the following lawsuit: Sepulveda Construction v. City of Huntington Beach, OCSC Case No. 30-2013-00644071, which involves the City's contract with Sepulveda Construction to construct the Ranger Lift Station, located at Ranger Lane, immediately north of Adams Avenue and west of the Santa Ana River.

6:00 PM – COUNCIL CHAMBERS

RECONVENE CITY COUNCIL/PUBLIC FINANCING AUTHORITY MEETING – 6:24 PM

CLOSED SESSION REPORT BY CITY ATTORNEY - None

ROLL CALL

City Clerk Joan L. Flynn reported that Councilmember Carchio submitted a Notice of Absence and pursuant to City Council Resolution No. 2001-54, and there being no objection, the City Council's permission for this absence was granted.

Present: Katapodis, Hardy, Shaw, Harper, Boardman, Sullivan
Absent: Carchio (Excused)

PLEDGE OF ALLEGIANCE – Led by Councilmember Dave Sullivan

INVOCATION - Led by the Reverend Peggy Price of the Greater Huntington Beach Interfaith Council

In permitting a nonsectarian invocation, the City does not intend to proselytize or advance any faith or belief. Neither the City nor the City Council endorses any particular religious belief or form of invocation.

AWARDS AND PRESENTATIONS

Mayor Harper called on Victoria Alberty to present the Adoptable Pet of the Month.

Victoria Alberty, representing the Waggin' Trails Rescue Foundation, introduced John Walker with the Orange County Humane Society, who presented Louis, a three-and-a-half year old lab mix who is the Adoptable Pet of the Month. Interested parties were encouraged to visit

www.ochumanesociety.com.

Mayor Harper called on Jeff Snow representing the Huntington Beach Rotary Club who presented the City with its own Surfboard on Parade custom made, artistic surfboard that will be displayed at City Hall and auctioned at Night of a Million Waves Gala October 4, 2014.

Jeff Snow, Huntington Beach Rotary Club, introduced Jody McKay and Scott Smith of the Huntington Beach Rotary Club and thanked the City for partnering with Surfboards on Parade and for sponsoring a board. He especially thanked Mayor Harper, Mayor Pro Tem Shaw and Councilmember Boardman for their support through the Economic Development Committee and their sponsorship as well as City staff Janeen Laudenback, Julie Toledo and Fred Wilson.

Scott Smith and Jody McKay introduced the artist Josh Serafin, and shaper Rich Harper, and provided information regarding their art and pieces. They unveiled the board noting it will be displayed at City Hall and auctioned at Night of a Million Waves Gala on October 4, 2014.

Mayor Harper acknowledged the leadership of the Huntington Beach Rotary Club in helping to celebrate Huntington Beach.

Mayor Harper proclaimed National Public Works Week May 18 through 24 and presented a Proclamation to Public Works Director Travis Hopkins.

Mayor Harper proclaimed the week of May 18th through 24th as National Public Works Week and presented a proclamation to Public Works Director Travis Hopkins.

On behalf of the Huntington Beach Public Works Department, Public Works Director Hopkins thanked the Mayor and the City for the proclamation. He invited residents to Surf City Nights on May 20, 2014, from 5:00 PM to 9:00 PM where the Public Works Department will have a booth providing information and prizes. Additionally, he shared a photograph of the Public Works Department staff.

Mayor Harper proclaimed National Emergency Medical Services Week May 18 through 24 and presented a Proclamation to Fire Chief Patrick McIntosh.

Mayor Harper proclaimed the week of May 18th through 24th as National Emergency Medical Services Week and presented a proclamation to Fire Chief Patrick McIntosh.

Fire Chief McIntosh provided a brief history of National Emergency Medical Services Week and addressed this year's theme. He introduced Patty Gleed, the Fire Department's Nurse and Paramedic Coordinator and commented on the model EMS program. He recognized first responders and thanked the City for its acknowledgement.

Mayor Harper called on Communications Officer Lisa Telles, from the Transportation Corridor Agencies (TCA), to give a presentation about the planned removal of cash toll collection from The Toll Roads.

Lisa Telles, Communications Officer, Transportation Corridor Agencies (TCA), provided a presentation regarding the planned removal of cash toll collection from the Toll Roads. She reported that last week, was the last week you can pay cash on the fifty-one (51) miles of toll

roads in Orange County. She addressed operation of the Toll Roads, introduction of the Fast Track technology, trips per day, how customers can pay, details of the Express Account and one-time toll, tools available on the website and the mobile application.

Mayor Harper called on Fire Chief Patrick McIntosh to present the Mayor's Award to Battalion Chief Dave McBride.

Fire Chief McIntosh presented the Mayor's Award to Battalion Chief Dave McBride. Fire Chief McIntosh commented on Battalion Chief McBride's capabilities, experience and qualifications and commented positively on his work and efforts.

ANNOUNCEMENT OF SUPPLEMENTAL COMMUNICATIONS (Received After Agenda Distribution)

Pursuant to the Brown "Open Meetings" Act, City Clerk Joan L. Flynn announced supplemental communications that were received by her office following distribution of the Council agenda packet:

Councilmember Items

Communications received regarding Item Nos. 18 (Equal Term Limits for all Elected Officials – Including City Clerk, City Attorney, and City Treasurer) and Item No. 19 (Directly-elected Mayor), from: Peter Wollman, Jodie Wollman, Gary Thiessen, Alison Goldenberg, Myron Huffman, Mary Jo Baretich, Norma Mannion, Lorraine Prinsky, Aaltje van Krieken, Nancy Harris, Sandra Fazio, Janice Genelle, Patricia Goodman, Pam Vallot, Kim Kramer, Floyd Phillips, Alan Walls, Elaine and Bill Parker, Kirk J. Nason, Linda Light, Hildy Meyers, and Monica Hamilton of Huntington Beach Tomorrow.

Communications received regarding Item No. 20 (Amend Ordinance to make the Conflict of Interest restrictions of Political Reform Act Section 84308 apply to City-elected Officials) from Mary Jo Baritich, Sandra Fazzio, Mary Adams Urashima, Pam Vallot, as well as a graph of Postal Rates from 1974 to Present and a .pdf entitled, "The decreasing value of \$250 to a campaign" from Mayor Matthew Harper.

Communications received regarding Item No. 22 (Adopt Resolution No. 2014-22 delegating authority to the City Manager or Director of Public Works to act on behalf of the City regarding the matter of Sepulveda Construction v. City of Huntington Beach) with a revision to Page 1, Item 1, from City Attorney Jennifer McGrath.

PUBLIC COMMENTS (3 Minute Time Limit)

(The number (hh:mm:ss) following the speakers' comments indicates their approximate starting time in the archived video located at <http://www.surfcity-hb.org/government/agendas/>).

Barbara Haynes, Historic Resources Board, announced the completion of a new exhibit at the Main Street Library of vintage photos of the City which will be rotated quarterly. She thanked Stephanie Beverage and the entire Library staff for their help as well as Domenic Iorfino from HB Digital. (00:36:28)

Jose Solorio, College Trustee, Santiago Canyon College and Santa Ana College, spoke in opposition to toll roads and the need for housing for the homeless. He noted that one in four homeless individuals are veterans. He commented on Proposition 41 (a veterans housing bond) and hoped that citizens will vote in its favor this June. (00:38:03)

Tim Geddes spoke in opposition to agenda Item No. 18 (term limits for elected officials). He opined that, in terms of the City Clerk, City Attorney, and City Treasurer, a veteran office holder, doing a good job, should not be termed out so that some inexperienced challenger could wind up representing the City. (00:39:46)

Chris Epting commented on the issue of plastic bags and fireworks and spoke regarding allowing voters to voice their opinions through the voting process. He commented on the practice of "astro-turfing" and encouraged allowing voters to state their opinions through the voting process. (00:42:58)

Clem Dominguez voiced concerns about where to draw the line on what citizens should be able to vote on. He spoke in support of lowering the number of signatures needed to put an issue on the ballot and commented in opposition to having an elected mayor. (00:46:15)

Joseph Mastropaolo urged City Council to adopt a resolution supporting Proposition 13. (00:49:05)

Ron Higby spoke in support of Consent Item No. 14 (Senate Bill 121 (Wolk) - Split tax roll specific to school districts). He urged Council to start thinking about reducing the cost of government. (00:52:33)

Robert Johnson, Cape Ann affordable housing resident, voiced concerns about the affordable housing program in Huntington Beach. (00:55:38)

Cari Swan spoke in support of Consent Item No. 14 (Senate Bill 121 (Wolk) - Split tax roll specific to school districts), and on behalf of the Precinct Patriots and voiced concerns about recent decisions made by the majority of the City Council. She stated her belief that SB 121 is a direct assault on Proposition 13, California businesses and California residents. She urged City Council to adopt a resolution supporting Proposition 13 and listed other Orange County cities that have done so. In addition, she invited residents to join Precinct Patriots at www.hb.precinctpatriots.com. (00:58:35)

Peggy Price, Huntington Beach Interfaith Council, spoke regarding the City's adoption of the Charter for Compassion, commented on the recent mobilization of people in the community to do acts of service and announced the world-wide participation in the Compassion Games September 11, 2014 to September 21, 2014. She invited the community to get involved and reported that the next planning meeting will be held on May 21, 2014 at 7:00 PM in Room B8 at City Hall. (01:01:27)

Dick Thiel, HB Precinct Patriots, spoke in support of Consent Item No. 14 (Senate Bill 121 (Wolk) - Split tax roll specific to school districts). He commented on the businesses that are being driven out of the State because of high taxes. (01:04:06)

Mark Bixby spoke in opposition to Councilmember Item No. 18 (Equal Term Limits for all Elected Officials) and Councilmember No. 19 (Directly-elected Mayor); and, in support of Councilmember

Item No. 20 (Conflict of Interest restrictions of Political Reform Act Section 84308 apply to City-elected Officials). Relative to Items 18 and 19, he stated that these will ultimately have the effect of removing voter choice. In terms of the City Clerk, City Attorney, and City Treasurer, a veteran office holder, doing a good job, should not be termed out. Regarding electing a mayor, he stressed that the current system works and should not be changed. In addition, he encouraged Council to support Item No. 20. (01:06:58)

COUNCIL COMMITTEE - APPOINTMENTS - LIAISON REPORTS AND ALL AB 1234 DISCLOSURE REPORTING

Councilmember Sullivan announced his appointment of Lyn Semeta to the Huntington Beach Planning Commission.

CITY MANAGER'S REPORT - None

CONSENT CALENDAR

Councilmember Hardy pulled Item No. 15 for separate discussion and consideration.

Councilmember Boardman pulled Item No. 13 for separate discussion and consideration and asked to be recorded as a "no" vote on Item No. 14.

Mayor Harper pulled Item No. 16 for separate discussion and consideration asked to be recorded as a "no" vote on Item No. 4a.

Councilmember Sullivan pulled Items No. 9, 10, 11 and 14.

1. Approved and adopted minutes

A motion was made by Mayor Pro Tem Shaw, second by Councilmember Sullivan to review and approve the City Council/Public Financing Authority regular meeting minutes dated April 7, 2014, and the City Council/Public Financing Authority regular meeting minutes dated April 21, 2014, as written and on file in the office of the City Clerk.

The motion carried with the following vote:

AYES:	Katapodis, Hardy, Shaw, Harper, Boardman, Sullivan
NOES:	None
ABSENT:	Carchio

2. Received and filed the City of Huntington Beach Strategic Plan Update

A motion was made by Mayor Pro Tem Shaw, second by Councilmember Sullivan to receive and file the Twelve-Month Strategic Objectives.

The motion carried with the following vote:

AYES:	Katapodis, Hardy, Shaw, Harper, Boardman, Sullivan
NOES:	None
ABSENT:	Carchio

3. Fiscal Year 2013/14 Third Quarter Budget Adjustments

A motion was made by Mayor Pro Tem Shaw, second by Councilmember Sullivan to approve third quarter adjustments to the FY 2013/14 Revised Budget in the Funds by the amounts contained in Attachment 1; accept donations from the Friends of the Huntington Beach Library in the amount of \$145,000 with commensurate increases in budget appropriations not to exceed the total amount of donations received; accept donations from the Council on Aging in the amount of \$145,000 with commensurate increases in budget appropriations not to exceed the total amount of donations received; and, approve the cost-neutral modifications to the FY 2013/14 Table of Organization as reflected in Attachment 1.

The motion carried with the following vote:

AYES: Katapodis, Hardy, Shaw, Harper, Boardman, Sullivan
NOES: None
ABSENT: Carchio

4. Approved an appropriation of \$194,901 in the FY 2013/14 Federal Narcotics Forfeiture Fund for the expansion of cameras, bandwidth, and storage capabilities of the Downtown and Police Heliport video camera security systems

A motion was made by Mayor Pro Tem Shaw, second by Councilmember Sullivan to for a total amount of \$194,901 in the FY 2013/14 Federal Narcotics Forfeiture Fund (21270101), approve an appropriation of \$96,336 for the Downtown Camera purchase and installation.

The motion carried with the following vote:

AYES: Katapodis, Hardy, Shaw, Boardman, Sullivan
NOES: Harper
ABSENT: Carchio

A motion was made by Mayor Pro Tem Shaw, second by Councilmember Sullivan to for a total amount of \$194,901 in the FY 2013/2014 Federal Narcotics Forfeiture Fund (21270101), approve an appropriation of \$98,565 for the Police Heliport additional servers, storage and bandwidth and monitoring station.

The motion carried with the following vote:

AYES: Katapodis, Hardy, Shaw, Harper, Boardman, Sullivan
NOES: None
ABSENT: Carchio

5. Approved four (4) Quit Claim Deeds for a previously vacated portion of Baltimore Avenue, east of Huntington Street

A motion was made by Mayor Pro Tem Shaw, second by Councilmember Sullivan to approve the release of any interest in a portion of vacated Baltimore Avenue; and, authorize the Mayor and City Clerk to execute the four quit claim deeds and any other related documents.

The motion carried with the following vote:

AYES: Katapodis, Hardy, Shaw, Harper, Boardman, Sullivan
NOES: None
ABSENT: Carchio

6. Adopted Resolution No. 2014-19 declaring the disposition of two (2) surplus City-owned properties and sale to adjacent property owners - southeast corner of Garfield Avenue and Gothard Street and a walkway at Madeline Lane and Occidental Lane

A motion was made by Mayor Pro Tem Shaw, second by Councilmember Sullivan to adopt Resolution No. 2014-19, "A Resolution of the City Council of the City of Huntington Beach Declaring the Disposition of Certain Surplus Property;" and, authorize the City Manager to execute all related documents.

The motion carried with the following vote:

AYES: Katapodis, Hardy, Shaw, Harper, Boardman, Sullivan
NOES: None
ABSENT: Carchio

7. Approved the assignment of the approved Development Agreement (DA) for the Pedigo Project to Monogram Residential Huntington Beach Project Owner, LP located at the southwest corner of Edinger Avenue and Gothard Street

A motion was made by Mayor Pro Tem Shaw, second by Councilmember Sullivan to approve the assignment of the Development Agreement for the Pedigo Project to Monogram Residential Huntington Beach Project Owner, LP.

The motion carried with the following vote:

AYES: Katapodis, Hardy, Shaw, Harper, Boardman, Sullivan
NOES: None
ABSENT: Carchio

8. Approved and authorized execution of a Professional Services Contract with the Galecia Group for an Automated Materials Handling System analysis and implementation plan for the Library Services department

A motion was made by Mayor Pro Tem Shaw, second by Councilmember Sullivan to approve and authorize the Mayor and City Clerk to execute the "Professional Services Contract Between the City of Huntington Beach and The Galecia Group for Material Handling Process Consulting Services" in the amount of \$22,600 for an Automated Materials Handling System analysis and implementation plan for the Library Services department.

The motion carried with the following vote:

AYES: Katapodis, Hardy, Shaw, Harper, Boardman, Sullivan
NOES: None

ABSENT: Carchio

Mayor Harper announced that Items No. 9, 10 and 11 will be heard concurrently.

9. **Approved and authorized execution of a five (5) year License Agreement with Southern California Edison (SCE) for public parkland located in Edison Park**
10. **Approved and authorized execution of a five (5) year License Agreement with Southern California Edison (SCE) for public parkland located in Gisler Park**
11. **Approved and authorized execution of a five (5) year License Agreement with Southern California Edison for public parkland located in LeBard Park**

In response to Councilmember Sullivan's inquiry regarding whether Edison can terminate the agreements at any time, City Manager Wilson reported there is a thirty-day (30) out-clause for termination in the agreement.

Councilmember Sullivan expressed concerns that the agreements are not "etched in stone" and with possible emissions related to the Edison transmission lines.

Janelle Godges, Southern California Edison, noted there are no guarantees, but that Edison tries to project for the length of the agreement to ensure no changes in the near future that need to be disclosed. She added that to the best of her knowledge, there are no plans for the future relative to the subject properties. Additionally, she reported that the land is intended for passive uses such as open park space and that Edison performs studies for emissions and there are no concerns.

A motion was made by Councilmember Sullivan, second by Councilmember Katapodis to approve the "License Agreement" with Southern California Edison for the use of the 4.71 acres of property commonly known as Edison Park, and authorize the Mayor to execute any and all documents necessary to conclude this transaction; approve the "License Agreement" with Southern California Edison for the use of the 10.5 acres of property commonly known as Gisler Park, and authorize the Mayor to execute any and all documents necessary to conclude this transaction and approve the License Agreement with Southern California Edison for the use of the 2.02 acres of property commonly known as LeBard Park, and authorize the Mayor to execute any and all documents necessary to conclude this transaction.

The motion carried with the following vote:

AYES: Katapodis, Hardy, Shaw, Harper, Boardman, Sullivan
NOES: None
ABSENT: Carchio

12. **Approved and authorized execution of amendments to two existing contracts between the City of Huntington Beach and CSG Consultants, Inc. for Building Plan Review Services and Engineering Resources of Southern California, Inc. for As-Needed Engineering Services for plan check services; and, approved the increase in the Planning and Building Department's Professional Services listing authority by \$500,000**

A motion was made by Mayor Pro Tem Shaw, second by Councilmember Sullivan to approve the increase in the Planning and Building Department's professional services listing authority by \$500,000 for plan check services to ensure compliance with Administrative Regulation Number 228, Section 7.1.; approve and authorize the Mayor and City Clerk to execute "Amendment No. 3 to Agreement between the City of Huntington Beach and CSG Consultants, Inc. for Plan Review Services;" and, approve and authorize the Mayor and City Clerk to execute an "Amendment No. 2 to Agreement between the City of Huntington Beach and Engineering Resources of Southern California, Inc." for as-needed engineering services, by increasing the contract amount by \$140,000.

The motion carried with the following vote:

AYES:	Katapodis, Hardy, Shaw, Harper, Boardman, Sullivan
NOES:	None
ABSENT:	Carchio

13. Approved and authorized execution of Cooperative Agreement No. C-2-1895 between Orange County Transportation Authority (OCTA) and the City for the Bicycle Corridor Improvement Program Project Lake Street Bicycle Treatments and Downtown Bicycle Facilities

Councilmember Boardman stated she pulled this item in order to allow the opportunity to get an update on the progress of sharrows and bicycles downtown.

Travis Hopkins, Director of Public Works, provided a report addressing sharrows (markings and signs on streets encouraging sharing roads with cyclists), proposed locations and new bicycle parking spots and noted that staff is applying for grants to work on another bike boulevard within the City and upgrading the multi-use path on the beach. He reported that a grant was received for a bike boulevard on Utica from Main Street to Beach Boulevard. Those improvements will be completed within the next year or so.

Councilmember Sullivan observed, over the last seven (7) days, nine (9) cyclists running red lights. In addition, he observed three (3) cyclists maneuver dangerous movements and noted that every one of those cyclists were adults. In response to his inquiry regarding funding sources, Director Hopkins reported that funding for installing sharrows is sufficient and commented on the bicycle racks. Funding will be from a grant and the City's share of cost.

Councilmember Boardman reported that bicycle safety is addressed at every Bike and Pedestrian Committee meeting and is of utmost concern to members. She announced that at the next joint Committee and School District meeting, members of the Bike and Pedestrian Committee are interested in making presentations to PTAs about bicycle safety and children. She added that the Committee is looking at ways to reach out to the community and increase bike safety education.

Mayor Harper agreed with concerns regarding bike safety and interaction with other drivers and noted the importance of educating children in order to adopt bike safety norms. In response to his inquiry regarding whether the paint will have the necessary treatment to avoid slipping, Director Hopkins reported that the sharrow will not be a continuous green painted roadway but will have added traction with more road markings.

A motion was made by Councilmember Sullivan, second by Councilmember Boardman to

approve "Cooperative Agreement No. C-2-1895 Between Orange County Transportation Authority and City of Huntington Beach for the Bicycle Corridor Improvement Program Project Lake Street Bicycle Treatments and Downtown Bicycle Facilities;" and, authorize the Mayor and City Clerk to execute two (2) original agreements.

The motion carried with the following vote:

AYES: Katapodis, Hardy, Shaw, Harper, Boardman, Sullivan
NOES: None
ABSENT: Carchio

14. As recommended by the City Council Intergovernmental Relations Committee (IRC), the City Council approved a position and authorization for the Mayor to sign a letter of opposition for Senate Bill 1021 (Wolk) which authorizes a split tax roll specific to school districts

Councilmember Sullivan commented on increases in tax rates prior to Proposition 13. He stated that SB 1021 is an attempt to remove Proposition 13 and commented on the focus on commercial properties noting that costs would be eventually passed on to consumers and that it will also affect apartment buildings. He urged City Council to approve the item.

Councilmember Boardman noted that she values Proposition 13 but that in researching SB 1021, she does not see it as a "slippery slope". She addressed the State's standing in per-pupil spending in schools and that SB 1021 restores the flexibility that school districts already had prior to a court case.

A motion was made by Councilmember Sullivan, second by Mayor Pro Tem Shaw to approve a City position of opposition for Senate Bill 1021 (Wolk) - Split tax roll specific to school districts; and, authorize the Mayor to sign a letter of opposition for Senate Bill 1021 (Wolk) - Split tax roll specific to school districts.

The motion carried with the following vote:

AYES: Katapodis, Hardy, Shaw, Harper, Sullivan
NOES: Boardman
ABSENT: Carchio

**15. Continued the adoption of Ordinance No. 4024 amending Chapter 2.28 of the Huntington Beach Municipal Code (HBMC) relating to City Council Compensation to June 2, 2014
Approved for re-introduction May 5, 2014**

Councilmember Hardy noted changes made by Councilmember Carchio at the previous City Council meeting which necessitated another reading of the ordinance and added that he is absent at this time. She requested continuing the item until Councilmember Carchio can be in attendance.

A motion was made by Councilmember Hardy, second by Councilmember Sullivan to continue the adoption of Ordinance No. 4024, "An Ordinance of the City of Huntington Beach Amending Chapter 2.28 of the Huntington Beach Municipal Code Relating to the City Council

Compensation" to the City Council meeting of June 2, 2014.

The motion carried with the following vote:

AYES: Katapodis, Hardy, Shaw, Harper, Boardman, Sullivan
NOES: None
ABSENT: Carchio

16. Adopted Ordinance No. 4025 adding Chapter 9.70 to the Huntington Beach Municipal Code Relating to Fireworks

Mayor Harper stated his opposition to the prohibition of Safe and Sane fireworks within the City.

A motion was made by Councilmember Boardman, second by Councilmember Katapodis to adopt Ordinance No. 4025, "An Ordinance of the City of Huntington Beach Adding Chapter 9.70 of the Huntington Beach Municipal Code Relating to Fireworks."

The motion carried with the following vote:

AYES: Katapodis, Hardy, Shaw, Boardman
NOES: Harper, Sullivan
ABSENT: Carchio

Mayor Harper noted that Item No. 22 will be considered as a regular item and not under the Consent Calendar.

ORDINANCES FOR INTRODUCTION

17. Approved for introduction Ordinance No. 4026 repealing Chapter 9.22 of the Huntington Beach Municipal Code (HBMC) relating to prohibition of Sex Offenders entering City Parks

City Attorney Jennifer McGrath reported this item is specifically related to litigation with which the City is involved for the last year-and-a-half. She reported that the City was sued almost immediately after adopting the ordinance and this is the repeal of the ordinance because it has been deemed unconstitutional by the Court of Appeals.

Councilmember Sullivan noted this was forced on the City because of actions by the ACLU and stated that it is ridiculous and that he is voting for this under extreme protest. He addressed the damage done by sex offenders noting that such incidents ruin people's lives forever.

Mayor Harper agreed with Councilmember Sullivan's comments.

A motion was made by Councilmember Hardy, second by Councilmember Boardman to approve for introduction Ordinance No. 4026, "An Ordinance of the City of Huntington Beach Repealing Chapter 9.22 of the Huntington Beach Municipal Code Relating to Sex Offender Prohibition from City Parks."

The motion carried with the following vote after the City Clerk read the Title of Ordinance 4026.

AYES: Katapodis, Hardy, Shaw, Harper, Boardman, Sullivan
NOES: None
ABSENT: Carchio

COUNCILMEMBER ITEMS

18. No Action on item Submitted by Mayor Harper – Equal Term Limits for all Elected Officials – Including City Clerk, City Attorney, and City Treasurer

Mayor Harper introduced the item and commented on the adoption of Measure C and allowing citizens of the City to have a direct vote in any future commercial development or sale of the City's parks and beaches, adding that currently, citizen participation is indirect. After Measure C was approved, there have been many land-use decisions within the City and stated that it is vital that the City involve voters in those kinds of decisions. Regarding term limits for all ten (10) officials in the City, he reported that the proposal would have two (2) terms, inclusive of all City positions thereby treating all positions equally.

Councilmember Boardman noted that at the end of the last City Council meeting, residents were encouraged to email Councilmembers to express their interest in the subject. She reported receiving no emails in this regard. Additionally, she reported sending an email with information on the matter and asking residents to respond whether they are against or in favor of the proposal. Upon last check, she reported receiving forty-eight (48) emails with only two (2) in support of the item. Councilmember Boardman stated this does not appear to be a vital decision by the voters of the City. In terms of Measure C, there was a lot of interest and it was a vital decision as was the matter of the Main Street Library and Wal-Mart. There is a mechanism for the people to place issues on the ballot and Councilmember Boardman stated she does not see the interest by the people.

In response to Councilmember Boardman's inquiry regarding practices in other cities, City Clerk Flynn reported sending out a questionnaire to cities that elect their City Clerks and some elected Attorneys and Treasurers and of those that responded; none had term limits.

Councilmember Boardman added that the City Clerk, City Attorney and City Treasurer are not policy-makers, but rather staff members and require specialized training. She added that the City Clerk is answerable to voters and if not doing a good job, can be voted out. Therefore, she indicated she will not support this item.

Councilmember Katapodis stated that voters do make decisions when the City Clerk, City Attorney and City Treasurer run. He stated that term limits are not that important but that it is important to keep continuity in those positions and will not support this item.

Councilmember Sullivan stated he is in favor of keeping it the way it is. He commented positively on the work of the City Clerk and noted that if the City Clerk were not doing a good job, there could be a recall or residents could remove them through an election. Additionally, he commented on the specialized training required for City Clerk, City Attorney and City Treasurer while Councilmembers need little. He stated he will not support the item.

Councilmember Hardy commented on the issue of televising City Council meetings in terms of public interest and on the appointment of past and present City Clerks. She stated that having term limits could change who applies for the job as they would not be guaranteed a job after eight

(8) years. She added that as a Councilmember, she relies heavily on the expertise of the City Clerk, City Attorney and City Treasurer, especially since they are elected. She stated she will not support the item.

Mayor Harper thanked colleagues and members of the public for engaging in this discussion and reiterated the importance of voters having a choice.

No action was taken on this item.

19. Failed - Directly-elected Mayor - Submitted by Mayor Harper

Mayor Harper reported that a directly-elected Mayor is common in many cities the size of Huntington Beach. He added that he would like to afford citizens of Huntington Beach the ability to vote on whether they would like a directly-elected mayor, as that question has not been addressed since the early 1960s. He listed surrounding cities that have directly-elected mayors and stated his recommendations. Additionally, he indicated his intention was not to alter those who are currently on Council but rather for future Councilmembers.

A motion was made by Mayor Harper, second by Councilmember Sullivan to allow voters to directly elect a mayor every four years during the California Gubernatorial General Election, the current election cycle where four City Council Members are elected. The remaining six City Council Members would be elected in alternating top-three elections each California General Election. The Mayor Pro Tempore would still be chosen from among the City Council Members each year during the organizational meeting, recommending the first election for the voters to choose the Mayor of Huntington Beach be in 2018, the next California Gubernatorial General Election.

Councilmember Boardman stated this matter has not been voted on since 1970, when it was defeated. If there were enough community interest, she would consider it since how you vote is something that the people should decide. However, interest has not been evident and people seem to be happy with the status quo.

Mayor Pro Tem Shaw added he has not seen a large public outcry to have a directly-elected mayor or term limits. He reported that in 2010, when he served on the Charter Review Committee, the subject was discussed and Council had a chance to review their recommendations including not having a directly-elected mayor. He added that it was a very deliberate process and it was also decided to review the City Charter every ten (10) years, which will be in another five (5) years. He stated that the Charter is the City's constitution and that it is important to have a wide variety of people speak out on the matter. He indicated his support of the Charter Review Committee recommendations as he has not seen a large outcry of people wanting to vote on this matter.

Councilmember Hardy noted she was on Council when the Charter Review Committee made its recommendations and the issue was discussed. She added many people do not understand how the mayor is chosen or his/her duties, that people who understand how the system works are very supportive of it and that she does not see community interest in changing it. She expressed concerns regarding the amount of work expected from a mayor and that to do it more than one year would take a large commitment and the pay for mayor would need to be increased. Additionally, in cities with directly-elected mayors, the position is very political and partisan. She noted that the Huntington Beach City Council works as a team and that is in part because of the

current rotational system. She also addressed participation in County and State functions and indicated her support of the current system with a slight change in terms of the rotation cycle. Without having a large outcry from the community, she stated she will oppose the motion.

Councilmember Katapodis agreed with Councilmember Hardy's comments adding that when he has explained the process to residents, they have commented positively on the current rotational system. He stated he will not support the motion.

Mayor Harper clarified that the matter would not assign additional duties to mayors.

Councilmember Sullivan commented on the duties of mayors that have been elected directly, their influence, "canned" letters and the importance of having good lobbyists in Washington D.C. He commented on the system in Fountain Valley and spoke in support of the current rotational system.

Mayor Harper stated that the subject merits significant discussion at the next Charter Review Committee meeting and commented on the benefits of having seniority in other organizations.

Councilmember Sullivan offered that there should be an Ad Hoc committee of former mayors to provide input on the matter.

Councilmember Hardy agreed with Councilmember Sullivan's comments.

Mayor Harper thanked his colleagues for the discussion

The motion failed with the following vote:

AYES:	Harper
NOES:	Katapodis, Hardy, Shaw, Boardman, Sullivan
ABSENT:	Carchio

20. Failed – Create an Ordinance to make the Conflict of Interest restrictions of Political Reform Act Section 84308 apply to City-elected Officials - Submitted by Mayor Pro Tem Shaw

Mayor Pro Tem Shaw explained that the ordinance would prohibit contributions greater than \$250 while a project is pending and would disqualify elected officials from voting on such projects if more than \$250 was contributed in the twelve (12) months prior to election. He suggested that it take effect for the upcoming election or during another election year. He added that it is a matter of fairness and in keeping with a transparent government.

A motion was made by Mayor Pro Tem Shaw, second by Councilmember Hardy to direct City Attorney to draft an ordinance as follows: All elected City officers shall be subject to the provisions of Political Reform Act Section 84308 with respect to proceedings pending before the city. (In other words, 84308 applies in its entirety after deleting the 84308(a)(3) clause that exempts "local governmental agencies whose members are directly-elected by the voters".)

Councilmember Boardman stated she sees no reason why Planning Commissioners should be held to a higher standard than Councilmembers and that many are elected to Council and have to comply with the \$250 limit. She commented positively on separating campaign donations from a

project and that developers/applicants should not be contributing to Council campaigns close to an election. She added that if the ordinance passes, she would like it to take effect as other ordinances do (thirty (30) days from the second reading).

Councilmember Sullivan stated he will oppose the motion adding there is no one on the dais that can be bought for \$250. He added that thousands of dollars are contributed to candidates by unions and there is an imbalance of the funds available to candidates, to run.

In response to Mayor Harper's inquiry, City Attorney McGrath commented on existing conflict of interest law and that contributions are limited to campaign contributions and expenditures.

Mayor Harper stated this is not the means to finance personal expenditures, but to finance campaign costs. He expressed concerns with restricting the ability of a candidate to be able to raise funds to finance his/her campaign. Additionally, it would further increase the inequality of candidates being able to control their messages. He addressed the reason for creating the legislation in the first place.

City Attorney McGrath stated there is a system to address the matter of too many "conflicted" members within the Political Reform Act where straws are drawn until you have a quorum that can participate in a decision and explained the process.

Mayor Harper addressed the Levine Act and noted that \$250 is not as valuable today as it was in the past. He reported that the Levine Act did not take inflation into account nor the increased costs of a political campaign.

Councilmember Hardy stated she had previously proposed tying campaign contributions to the cost of a postage stamp. She commented on agencies having stricter reporting rules and spoke in support of the matter for increased transparency and at minimum, she would like to see a reporting rule.

Mayor Harper did not see this as an issue of transparency, but rather denying people their right to vote on specific issues.

Councilmember Katapodis stated that \$250 will not influence his decision on anything. He stated that the matter will create confusion and staff work.

Councilmember Sullivan stated he will oppose the motion and commented on ways that people can get "trapped".

Mayor Pro Tem Shaw noted there has been a lot of misinformation adding that the ordinance would not keep anyone from collecting more money only that if they collect more than \$250 they cannot vote on specific projects. He added it is a matter of transparency and that the onus is on the Councilmember to report.

Councilmember Katapodis believed that transparency already exists in the current system.

Councilmember Boardman agreed with Councilmember Hardy noting that before Council takes a vote, residents deserve to hear from Councilmembers at the dais. She added she would be interested if a Councilmember would bring the matter forward in the future.

Councilmember Sullivan expressed concerns that the process takes away Councilmember votes.

Councilmember Boardman stated that individual Councilmembers would have a choice as to whether to accept contributions or not.

Mayor Harper commented on the inflation adjustment of \$250 and questioned a system that would deny Councilmembers from doing their job.

The motion failed with the following vote:

AYES: Hardy, Shaw, Boardman
NOES: Katapodis, Harper, Sullivan
ABSENT: Carchio

ITEM ADDED BY AGENDA ADDENDUM

22. Adopted Resolution No. 2014-22 delegating authority to the City Manager or Director of Public Works to act on behalf of the City regarding the matter of Sepulveda Construction v. City of Huntington Beach

City Clerk Flynn explained that there was previously an Item No. 21 but that the item was pulled from the agenda so that Item 22 now follows Item 20.

City Attorney McGrath presented the matter noting that the judge in this case was adamant about having the full settlement-authority appear before court for a decision on Friday. The resolution will allow the City Manager or Director of Public Works to appear rather than the full City Council and the Resolution will be presented to the judge on May 20, 2014 indicating that both have full authority to settle the case.

A motion was made by Mayor Pro Tem Shaw, second by Councilmember Boardman to adopt Resolution No. 2014-22, "A Resolution of the City Council of the City of Huntington Beach Delegating to the City Manager or Director of Public Works Settlement Authority to Act on Behalf of the City Council of the City of Huntington Beach Regarding the Matter of Sepulveda Construction v. City of Huntington Beach," **as amended by Supplemental Communication to remove, "Except as to the actions that must be approved by the City Council," found in number 1.**

The motion carried with the following vote:

AYES: Katapodis, Hardy, Shaw, Harper, Boardman, Sullivan
NOES: None
ABSENT: Carchio

COUNCILMEMBER COMMENTS (Not Agendized)

Councilmember Sullivan reminded the community of the Memorial Day ceremony on Monday 26, 2014, at the pier.

Councilmember Boardman announced that the next Compassionate City meeting is on Wednesday, May 21, 2014, in Room B8. She reported attending the Alzheimer's Family Service

Center 14th Annual Gathering of Friends, the Word-Up: Interactions between Image and Text Exhibition Opening at the Art Center and the Annual Youth Character Award ceremony.

Mayor Pro Tem Shaw reported attending the Orange County Quest for Burn Survivors Rally, the 6th Annual Tourism Conference, and the Alzheimer's Family Service Center 14th Annual Gathering of Friends and participated in the 7th Annual Rally for Life Chili Cook Off 2014. Additionally, he reported attending the Annual Youth Character Awards.

Councilmember Hardy thanked third-graders at Peterson Elementary for allowing her to speak with them and reported attending the Annual Youth Character Awards and the Duck-A-Thon.

Councilmember Katapodis reported attending the ribbon-cutting ceremony at The Irishman and the Duck-A-Thon. He reported meeting a resident of Newport Beach who commented on a recent fire in Newport Beach and reported that Huntington Beach Fire Fighters responded and were outstanding. He commended Fire Chief McIntosh for his Department's efforts. Additionally, he reported attending the funeral of LAPD Officer Roberto Sanchez and noted that many Huntington Beach residents held flags along the route to the cemetery in his honor. He thanked residents who showed their support to the fallen officer.

Mayor Harper reported attending the Orange County Quest for Burn Survivors Rally, the Public Service Recognition Week Employee Luncheon, the Orange County Government Leaders' Prayer Breakfast 2014, the ACC-OC City Selection Committee and speaking at the Rodgers Senior Center to members of the American Legion, Post 133. Additionally, Mayor Harper attended the 7th Annual OC Water Summit, the Ribbon Cutting for Reef's Edge, the Duck-A-Thon and the Youth Character Awards.

ADJOURNMENT

There being no further business to come before Council, Mayor Harper adjourned the meeting at 9:43 PM.

The next regularly scheduled meeting of the Huntington Beach City Council/Public Financing Authority is Monday, June 02, 2014, in Room B-8, Civic Center, 2000 Main Street, Huntington Beach, California.



City Clerk and ex-officio Clerk of the City Council of the City of Huntington Beach and Secretary of the Public Financing Authority of the City of Huntington Beach, California

ATTEST:


City Clerk-Secretary
Mayor-Chair